

REMARKS

In the Office Action mailed May 18, 2009¹, the Examiner took the following actions:

objected to claims 37, 47, and 50;

rejected claims 17-22, 31-37, and 47-51 under 35 U.S.C. § 101 as being directed to non-statutory subject matter

rejected claims 45 and 46 under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent No. 5,182,705 to Barr et al. ("*Barr*");

rejected claims 47-58 under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,950,805 B2 to Kavanaugh et al. ("*Kavanaugh*");

rejected claims 1, 2, 6, 8, 9, 13, 15, and 16 under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,336,096 to Jernberg ("*Jernberg*") in view of U.S. Patent No. 5,550,734 to Tarter ("*Tarter*");

rejected claims 3-5 and 10-12 under 35 U.S.C. § 103(a) as being unpatentable in view of *Jernberg*, *Tarter*, and "IRT Business This Week 2 (Fraud): Some insurance firms have paid bounties to beat fraud - Insurers say fraudulent claims cost them (pounds) 30 million last year" ("*IRT*");

rejected claims 7 and 14 under 35 U.S.C. § 103(a) as being unpatentable in view of *Jernberg*, *Tarter*, and U.S. Patent No. 5,594,639 to Atsumi² ("*Atsumi*");

rejected claims 17-30 under 35 U.S.C. § 103(a) as being unpatentable in view of *Jernberg* and U.S. Patent No. 5,583,758 to McIlroy et al. ("*McIlroy*");

rejected claims 31, 32, 34-39, and 41-44 under 35 U.S.C. § 103(a) as being unpatentable in view of *Jernberg* and U.S. Patent No. 5,855,005 to Schuler et al. ("*Schuler*"); and

¹ The Office Action contains a number of statements reflecting characterization of the related art and the claims. Regardless of whether any such statement is identified herein, Applicants decline to automatically subscribe to any statement or characterization in the Office Action.

² Page 9 of the Office incorrectly refers to the inventor of U.S. Patent No. 5,594,639 as Iliff. Applicant assumes that this was a typographical error and requests clarification if the assumption is incorrect.

rejected claims 33 and 40 under 35 U.S.C. § 103(a) as being unpatentable in view of *Jernberg, Schuler*, and U.S. Patent Application Publication No. 2002/0177991 A1 to Ejerhed ("*Ejerhed*").

By the present amendment Applicant cancels claims 6 and 13 without prejudice or disclaimer and amend claims 1, 8, 15-17, 23, 29-31, 37, 38, 45-48, 52, 53, 57, and 58. Claims 1-5, 7-12, and 14-58 are pending, and the rejection of claims 6 and 13 is rendered moot by their cancellation.

I. Objection of Claims 37, 47, and 50

On page 2 of the Office Action, the Examiner objected to claims 37, 47, and 50 alleging that it is not clear what "area of expertise," "collector," and "precedence rule" is. Applicant respectfully traverses each of the objections.

With respect to claim 37, in order to advance prosecution, Applicant amends the claim. Accordingly, Applicant respectfully requests the Examiner to withdraw the objection to claim 37.

With respect to claims 47 and 50, the M.P.E.P. states that the Examiner shall focus on "whether the claim meets the threshold requirements of clarity and precision, not whether more suitable language or modes of expression are available." M.P.E.P. § 2173.02. Further, "[a]cceptability of claim ... language depends on whether one of ordinary skill in the art would understand what is claimed, in light of the specification." M.P.E.P § 2173.05(b).

Specifically, one of ordinary skill in the art would understand that a "collector" may, for example, be a third-party or a department in an insurance company that is delegated the task of recovering the costs associated with a claim. See specification, paragraphs [0072-0074]. Further, one of ordinary skill in the art would understand that

a “precedence rule” may be a rule that prefers one agreement over another when multiple agreements could be applied to a particular situation. See specification, paragraph [0079].

Thus, the objections to claims 47 and 50 are improper because one of ordinary skill in the art, in view of the specification, would have understood what the elements of claims 47 and 50 mean. Accordingly, Applicant respectfully requests the Examiner to withdraw the objections to claims 47 and 50.

II. Rejection of Claims 17-22, 31-37, and 47-51 under 35 U.S.C. § 101

On page 3 of the Office Action the Examiner rejected claims 17-22, 31-37, and 47-51 under 35 U.S.C. §101 alleging that “these claims are not tied to a statutory class of invention.” Applicant respectfully traverses this rejection. However, to advance prosecution, Applicant amends claims 17, 31, and 47 to recite a “computer-implemented method . . . comprising the steps, performed by a computer, of” to even more clearly tie the claims to a statutory class as suggested by the Examiner. Thus, because independent claims 17, 31, and 47, and their dependent claims 18-22, 32-37, and 48-51 are directed to statutory subject matter, the rejection of claims 17-22, 31-37, and 47-51 is improper. Therefore, Applicant respectfully requests reconsideration and withdrawal of the rejection of claims 17-22, 31-37, and 47-51 under 35 U.S.C. § 101.

III. Rejection of Claims 45 and 46 under 35 U.S.C. § 102(b)

Applicant respectfully traverses the rejection of claims 45 and 46 under 35 U.S.C. § 102(b) as being anticipated by *Barr*. In order to properly establish that *Barr* anticipates Applicants’ claimed invention under 35 U.S.C. § 102(b), each and every element of each of the claims in issue must be found, either expressly described or

under principles of inherency, in that single reference. See M.P.E.P. § 2131, quoting *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987). Furthermore, “[t]he identical invention must be shown in as complete detail as is contained in the . . . claim.” See M.P.E.P. § 2131, quoting *Richardson v. Suzuki Motor Co.*, 868 F.2d 1126, 1236, 9 U.S.P.Q.2d 1913, 1920 (Fed. Cir. 1989). *Barr* does not disclose each and every element of Applicant’s claimed invention.

Independent claim 45 recites a system for managing litigation including, among other components, “means for providing a user interface . . . the user interface displays a screen comprising: **a first section** including description information of the insurance claim; **a second section including referral information** to receive, from the litigation administrator a selection of an attorney to manage the litigation; and **a third section including a list of tasks** associated with the insurance claim and **status of completion of the tasks**,” (emphasis added). *Barr* does not teach or even suggest at least these elements of claim 45.

Barr discloses a “CAS menu screen that serves as a table of contents enabling an operator to select a desired system function or transaction. Following a successful logon, the system displays a Default Primary Menu tailored to the operator's specific needs and security level. (See, e.g., Tables II and III, for screens designed for a claim handler and a supervisor).” (Col. 12, lines 43-49).

Thus, *Barr* discloses menu screens that are displayed to complete a transaction. The screens of *Barr*, however, do not constitute the claimed “screen . . . comprising . . . a first section, . . . a second section, . . . and a third section,” as recited in claim 45. See *Barr* Tables I to LX.

Moreover, *Barr* is silent with respect to displaying a screen including “**referral information** to receive, from the litigation administrator **a selection of an attorney** to manage the litigation,” and “**a list of tasks** associated with the insurance claim and **status of completion of the tasks**,” (emphasis added) as recited in claim 45.

For at least these reasons, *Barr* does not teach or suggest each and every element of claim 45 and, therefore, independent claim 45 is allowable over *Barr*. Independent claim 46, although of different scope from claim 45, recites elements similar to those set forth above for claim 45. Claim 46 is therefore allowable for reasons at least similar to those presented above with respect to claim 45. Applicant respectfully requests that the Examiner withdraw the rejection under 35 U.S.C. § 102(b).

IV. Rejection of Claims 47-58 under 35 U.S.C. § 102(e)

Applicant respectfully traverses the rejection of claims 47-58 under 35 U.S.C. § 102(e) as being anticipated by *Kavanaugh* because *Kavanaugh* does not teach or suggest each and every element of Applicant's claimed invention.

Independent claim 47 recites a method of managing fees including, among other steps, “paying costs **to an insured in response to an insurance claim filed by the insured**, wherein the costs are paid by an insurance company; determining a party responsible for the costs, **wherein the party is different from the insurance company** . . . receiving data about **a recovery related to the costs** corresponding to the insurance claim, the data including at least **an amount recovered from the party and by the collector**,” (emphasis added). *Kavanaugh* does not teach or even suggest at least these elements of claim 47.

Kavanaugh discloses:

One target of the present invention is a wealthy person who is considering the purchase of a deferred annuity or has an existing deferred annuity When they die their estate or heirs will pay state and federal income tax as well as estate tax. Instead, they could **take this deferred annuity, convert it to an immediate annuity and buy life insurance with the resulting income stream**. Where this arrangement can be properly structured, the tax-free death benefit would be paid to the heirs from what would have otherwise been substantially taxed. (Emphasis added, Col. 4, lines 29-43).

Thus, in *Kavanaugh* an insured can use an annuity to buy life insurance and the life insurance premium would be paid out to heirs of the insured when a claim is filed by the heirs. Such a disclosure, however, does not constitute the claimed method of managing fees because *Kavanaugh* does not teach or suggest at least “paying costs to **an insured in response to an insurance claim filed by the insured,**” (emphasis added) as recited in claim 47. In *Kavanaugh*, the life insurance premium is paid out to the heirs and **not** to the insured, and the life insurance premium would be paid out in response to a claim filed by the heirs, and **not** by the insured. In fact, the insured would, of course, not be able to file a claim because he or she would be deceased.

Further, *Kavanaugh* is silent with respect to “determining a party responsible for the costs, wherein the party is different from the insurance company” and “receiving data about a recovery related to the costs corresponding to the insurance claim, the data including at least an amount recovered from the party and by the collector,” as recited in claim 47. In *Kavanaugh* the party responsible to pay the life insurance premium is the insurance company, and *Kavanaugh* does not teach or suggest “determining a party responsible for the costs, wherein **the party is different from the**

insurance company,” (emphasis added) as recited in claim 47. For at least the reason that *Kavanaugh* does not disclose “determining a party responsible for the costs . . . the party is different from the insurance company” *Kavanaugh* cannot teach or suggest “receiving data about a recovery related to . . . an amount **recovered from the party and by the collector,”** (emphasis added) as further recited in claim 47.

For at least these reasons, *Kavanaugh* does not teach or suggest each and every element of claim 47 and, therefore, independent claim 47 is allowable over *Kavanaugh*. Independent claims 52, 57, and 58, although of different scope from claim 47, recite elements similar to those set forth above for claim 47. Claims 52, 57, and 58 are therefore allowable for reasons at least similar to those presented above with respect to claim 47. Claims 48-51 and 53-56 are also allowable at least due to their dependence from one of independent claims 47 and 52. Applicant respectfully requests that the Examiner withdraw the rejection under 35 U.S.C. § 102(e).

V. Rejection of Claims 1, 2, 6, 8, 9, 13, 15, and 16 under 35 U.S.C. § 103(a)

Applicant respectfully traverses the rejection of claims 1, 2, 8, 9, 15, and 16 under 35 U.S.C. § 103(a) as being unpatentable in view of *Jernberg* and *Tarter* because a *prima facie* case of obviousness has not been established with respect to these claims.

“The key to supporting any rejection under 35 U.S.C. 103 is the clear articulation of the reason(s) why the claimed invention would have been obvious. . . . [R]ejections on obviousness cannot be sustained with mere conclusory statements.” M.P.E.P. § 2142, 8th Ed., Rev. 6 (Sept. 2007) (internal citation and inner quotation omitted). “The mere fact that references can be combined or modified does not render the resultant

combination obvious unless the results would have been predictable to one of ordinary skill in the art.” M.P.E.P. §2143.01(III) (emphasis in original). “In determining the differences between the prior art and the claims, the question under 35 U.S.C. 103 is not whether the differences themselves would have been obvious, but whether the claimed invention as a whole would have been obvious.” M.P.E.P. § 2141.02(I), (emphasis in original).

“[T]he framework for objective analysis for determining obviousness under 35 U.S.C. 103 is stated in *Graham v. John Deere Co.*, 383 U.S. 1, 148 U.S.P.Q. 459 (1966). . . . The factual inquiries . . . [include determining the scope and content of the prior art and] . . . [a]scertaining the differences between the claimed invention and the prior art.” M.P.E.P. § 2141(II). “Office personnel must explain why the difference(s) between the prior art and the claimed invention would have been obvious to one of ordinary skill in the art.” M.P.E.P. § 2141(III).

Independent claim 1 recites a method for managing insurance claims including, among other steps “determining whether the insurance claim has recovery potential by using the received data to **compare a value of the insurance claim with a threshold amount**, wherein the insurance claim is determined to **have a recovery potential when the value is greater than the threshold amount**,” (emphasis added).

Jernberg and *Tarter*, taken alone or in combination, fail to teach, suggest, or render obvious at least these elements of claim 1.

Page 7 of the Office Action relies on *Jernberg* to disclose the above-noted elements of claim 1. This, however, is not correct.

In *Jernberg*:

[r]isk data includes liability data for the site [and] . . .
[s]ettlement data are the insurance companies' offers of
settlement and the insured's co-payment offers The
settlement data is compared to the risk data and the
expected normal liability for each PRP and insurer. A
calculation is made to determine absolute and percentage
deviation between each party's settlement position (offer or
demand) and the expected normal liability of each party.
This calculation is used by the third party to determine
settlement groupings and priorities. No quantitative results
are provided to any party. (Col. 3, line 41 to col. 4, line 13).

Thus, in *Jernberg* risk data is compared with settlement data to determine settlement groupings and priorities. The comparison of *Jernberg* does not constitute the claimed "to compare" because *Jernberg* does **not** disclose performing a comparison which determines "whether the insurance claim has recovery potential," as recited in claim 1. In *Jernberg*, the comparison is performed to determine settlement grouping and priorities and *Jernberg* does not disclose "determining whether the insurance claim has recovery potential."

Further, *Jernberg* does not teach or suggest to "compare a value of the insurance claim with a threshold amount," because the comparison in *Jernberg* is between risk data and settlement data, and not between "a value of the insurance claim" and "a threshold amount," as recited in claim 1. Moreover, *Jernberg* does not disclose that "the claim is determined to have a recovery potential **when the value is greater than the threshold amount**," (emphasis added) as recited in claim 1.

Tarter does not overcome the above-noted deficiencies of *Jernberg*. Therefore, the Office Action has neither properly determined the scope and content of the prior art nor properly ascertained the differences between the prior art and the claimed invention.

Accordingly, the Office Action has not clearly articulated a reason as to why the claim would have been obvious to one of ordinary skill in view of the prior art. Therefore, a *prima facie* case of obviousness has not been established for claim 1 and the Examiner should withdraw the rejection of the claim under 35 U.S.C. § 103(a).

Independent claims 8, 15, and 16, although of different scope, contain similar recitations to those of claim 1. Therefore, the rejections of these claims under 35 U.S.C. § 103(a) is not supported by the art of record, for at least the reasons set forth above with respect to claim 1. Moreover, dependent claims 2 and 9 are allowable for at least the reasons set forth above with regard to their respective allowable base claims.

VI. Rejections of Claims 3-5, 7, 10-12, and 14 under 35 U.S.C. § 103(a)

Applicant respectfully traverses the rejection of claims 3-5 and 10-12 under 35 U.S.C. § 103(a) as being unpatentable in view of *Jernberg*, *Tarter*, and *IRT*, and the rejection of claims 7 and 14 under 35 U.S.C. § 103(a) as being unpatentable in view of *Jernberg*, *Tarter*, and *Atsumi* because a *prima facie* case of obviousness has not been established with respect to these claims.

Claims 3-5, 7, 10-12, and 14 depend from one of independent claims 1 and 8, and thus require all elements of claims 1 and 8. As set forth above, *Jernberg* and *Tarter* fail to teach, suggest, or render obvious each and every element of claims 1 and 8. Moreover, *IRT* and *Atsumi* do not compensate for the deficiencies of *Jernberg* and *Tarter*.

In view of the mischaracterization of the prior art as set forth above, the Office Action has neither properly determine the scope and content of the prior art, nor properly ascertained the differences between the prior art and the claimed

combinations. Accordingly, the Office Action has not clearly articulated a reason as to why the claim would have been obvious to one of ordinary skill in view of the prior art. Therefore, a *prima facie* case of obviousness has not been established for claims 3-5, 7, 10-12, and 14 at least due to their dependence and the Examiner should withdraw the rejections of the claims under 35 U.S.C. § 103(a).

VII. Rejection of Claims 17-30 under 35 U.S.C. § 103(a)

Applicant respectfully traverses the rejection of claims 17-30 under 35 U.S.C. § 103(a) as being unpatentable in view of *Jernberg* and *McIlroy* because a *prima facie* case of obviousness has not been established with respect to these claims.

Independent claim 17 recites a method for auditing insurance claims including, among other steps “automatically prompting the auditor to collect data related to the insurance claim by displaying **a screen comprising: a first section including description information** of the insurance claim; **a second section including a plurality of tabs**, wherein one of the tabs is a history tab which, when selected by the auditor, **displays information corresponding to medical history of a patient** related to the insurance claim,” (emphasis added).

Jernberg and *McIlroy*, taken alone or in combination, fail to teach, suggest, or render obvious at least these elements of claim 17.

McIlroy discloses:

First, the user may select one category from an alpha index of predefined medical categories, as shown in the screen depicted in FIG. 10. Each category leads to an alpha index of guideline titles within that category, each title representing a health condition or diagnosis, as shown in FIG. 11. This facilitates quick access to the desired guideline. More than one description may exist for a guideline. To actually select a guideline, the user first selects one category from a

medical category list 42 as shown in FIG. 10. For each selected medical category, the system 300 next presents a menu of guideline titles 43 as shown in FIG. 11. The user then selects the desired guideline 44, which is highlighted as shown in FIG. 11. (Col. 11, lines 6-18).

Thus, *McIlroy* discloses displaying a screen that displays predefined categories that can be selected by a user for additional information. None of the screens displayed in Figures 10-17 of *McIlroy*, however, teach, suggest, or render obvious the claimed screen because *McIlroy* does not disclose “displaying a screen comprising: **a first section** including description information of the insurance claim; and **a second section** including a plurality of tabs, **wherein one of the tabs** is a history tab which, when selected by the auditor, **displays information corresponding to medical history of a patient** related to the insurance claim,” (emphasis added) as recited in claim 17.

Jernberg does not overcome the above-noted deficiencies of *McIlroy*. Therefore, in view of the mischaracterization of the prior art as set forth above, the Office Action has neither properly determine the scope and content of the prior art, nor properly ascertained the differences between the prior art and the claimed combinations. Accordingly, the Office Action has not clearly articulated a reason as to why the claim would have been obvious to one of ordinary skill in view of the prior art. Therefore, a *prima facie* case of obviousness has not been established for claim 17 and the Examiner should withdraw the rejection of the claim under 35 U.S.C. § 103(a).

Independent claims 23, 29, and 30, although of different scope, recite similar elements to claim 17. Therefore, the rejections of these claims under 35 U.S.C. § 103(a) is not supported by the art of record, for at least the reasons set forth above.

Moreover, dependent claims 18-22 and 24-28 are allowable for at least the reasons set forth above with regard to their respective allowable base claims.

VIII. Rejection of Claims 31, 32, 34-39, and 41-44 under 35 U.S.C. § 103(a)

Applicant respectfully traverses the rejection of claims 31, 32, 34-39, and 41-44 under 35 U.S.C. § 103(a) as being unpatentable in view of *Jernberg* and *Schuler* because a *prima facie* case of obviousness has not been established with respect to these claims.

Independent claim 31 recites a method for managing litigation including, among other steps "providing a user interface . . . the user interface displays a screen comprising: **a first section** including description information of the insurance claim; **a second section including referral information** to guide the litigation administrator to select an attorney to manage the litigation; and **a third section including a list of tasks** associated with the insurance claim and **status of completion of the tasks**," (emphasis added).

Jernberg and *Schuler*, taken alone or in combination, fail to teach, suggest, or render obvious at least these elements of claim 31.

Schuler discloses:

An auditor using system 100 begins at step 110 with an Audit Inventory Menu screen, an example of which is shown in FIG. 5. When an auditor clicks on the "Audits in Inventory" text 510 in the Audit Inventory Menu screen, system 100 will display a list of all outstanding and scheduled audits assigned to the auditor, as well as a list of audits completed by the auditor. The information displayed for each audit (i.e., policy number, location, due date, assignment information, expiration date, and insured name) is retrieved from a database 400. (Col. 4, lines 47-56)

Thus, *Schuler* discloses displaying audit screens to assist the auditor in completing the audits. None of the screens displayed in Figures 5-15, 20, and 21 of *Schuler*, however, teach, suggest, or render obvious the claimed screen because *Schuler* does not disclose displaying "a screen comprising: **a first section** including description information of the insurance claim; **a second section including referral information** to guide the litigation administrator to select an attorney to manage the litigation; and **a third section including a list of tasks** associated with the insurance claim and **status of completion of the tasks**," (emphasis added) as recited in claim 31.

Jernberg does not overcome the above-noted deficiencies of *Schuler*. Therefore, in view of the mischaracterization of the prior art as set forth above, the Office Action has neither properly determine the scope and content of the prior art, nor properly ascertained the differences between the prior art and the claimed combinations. Accordingly, the Office Action has not clearly articulated a reason as to why the claim would have been obvious to one of ordinary skill in view of the prior art. Therefore, a *prima facie* case of obviousness has not been established for claim 31 and the Examiner should withdraw the rejection of the claim under 35 U.S.C. § 103(a).

Independent claim 38, although of different scope, recite similar elements to claim 31. Therefore, the rejection of this claims under 35 U.S.C. § 103(a) is not supported by the art of record, for at least the reasons set forth above. Moreover, dependent claims 32, 34-37, 39, and 41-44 are allowable for at least the reasons set forth above with regard to their respective allowable base claims.

IX. Rejection of Claims 33 and 40 under 35 U.S.C. § 103(a)

Applicant respectfully traverses the rejection of claims 33 and 40 under 35 U.S.C. § 103(a) as being unpatentable in view of *Jernberg*, *Schuler*, and *Ejerhed* because a *prima facie* case of obviousness has not been established with respect to these claims.

Claims 33 and 40 depend from one of independent claims 31 and 38, and thus require all elements of claims 31 and 38. As set forth above, *Jernberg* and *Schuler* fail to teach, suggest, or render obvious each and every element of claims 31 and 38. Moreover, *Ejerhed* does not compensate for the deficiencies of *Jernberg* and *Schuler*.

Accordingly, the Office Action has not clearly articulated a reason as to why the claim would have been obvious to one of ordinary skill in view of the prior art. Therefore, a *prima facie* case of obviousness has not been established for claims 33 and 40 at least due to their dependence and the Examiner should withdraw the rejection of the claims under 35 U.S.C. § 103(a).

CONCLUSION

In view of the foregoing remarks, Applicant respectfully requests reconsideration and reexamination of this application and the timely allowance of the pending claims.



Please grant any extensions of time required to enter this response and charge any additional required fees to our deposit account 06-0916.

Respectfully submitted,

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